

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

No. CR 06-00144 JSW

v.

RENATO MENDOZA MEDINA, PHYLLIS
REYES CUISON, and RAWLIN
CUNDAGAN REYES,

Defendants.

**ORDER ADOPTING REPORT
AND RECOMMENDATION RE
MOTION FOR INQUIRY INTO
POTENTIAL CONFLICT OF
INTEREST**

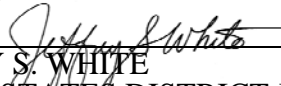
This matter comes before the Court upon consideration of the Report and Recommendation prepared by Chief Magistrate Judge James Larson on the United States' motion for inquiry into a potential conflict of interest. As set forth in Chief Magistrate Judge Larson's Report, the alleged conflict relates to whether attorneys' fees for defendants Phyllis Reyes Cuison and Rawlin Cundagan Reyes were being paid by their employer. The Court set this matter down for a status hearing on March 22, 2007, at which time the parties agreed that this Court could review sealed documents submitted to Chief Magistrate Judge Larson in support of Defendants' opposition to the Government's motion.

Having considered the parties' pleadings, including the materials submitted to Chief Magistrate Judge Larson, the Court finds the Report and Recommendation correct and well-reasoned and adopts it in every respect. Accordingly, the Government's motion is GRANTED IN PART, in that the Court has inquired into whether a conflict exists, and is DENIED IN PART, in that the Court finds that there is no current conflict of interest and also finds that

defendants Cuison and Reyes have waived any potential conflict of interest. This Order terminates docket no. 69.

IT IS SO ORDERED.

Dated: March 26, 2007



JEFFREY S. WHITE
UNITED STATES DISTRICT JUDGE